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May 10, 1974
No. 1033/74

MEMORANDUM

SUBJECT : Dominican Republic: A Third Term for
Balaguer?Summary

Dominican President Joaquin Balaguer is expected to be reelected to his third consecutive four-year term in the general elections on May 16. A recent opinion poll shows the 67-year-old President leading his closest rival by a 2-to-1 margin.

Balaguer, [REDACTED]

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[REDACTED] has broad backing in virtually all important sectors of the population. Business supports him because his stable administrations have attracted large amounts of foreign investment and spurred unprecedented economic growth. His government's stepped-up program to build housing for the urban poor probably has earned it a significant number of followers, and frequent whistlestop tours of the interior appear to have solidified the support he has long enjoyed among subsistence farmers who form the largest voting bloc in the country.

Balaguer faces four challengers in his bid for reelection. Two coalitions--one of the moderate right and the other a right-left mix--reportedly believe that their chances of defeating him are slim, and they are concentrating on winning seats in congress and local governments to build support for the 1978 elections. The other contenders are not expected to win more than a few percentage points of the vote.

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Balaguer is not expected to change either his domestic or foreign policies significantly if he is retained in office. His immediate concern will probably be to curb inflation even though unpopular measures will be necessary. The government's policy toward foreign investment is expected to remain favorable, although Balaguer has talked about requiring foreign companies to hire more Dominicans.

In a recent campaign appearance Balaguer suggested that he might use a third term in office to set the stage for moving the country from a "circumstantial democracy" to a truer form of democracy. Whether this is possible will depend primarily on his ability to foster the growth of political institutions.

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The Road to Victory

The President's strong lead over his closest rival seems to stem from the popularity the government has gained as a result of a five-year economic boom.

The Gross National Product last year increased by 17 percent, but approximately 9 percent of this increase was due to inflation. Much of the growth was in the mining and construction industries. While mineral exports have earned valuable foreign exchange, stepped-up construction in urban areas has also paid political dividends by providing jobs to the unskilled, who in leaner times would be expected to vote for the opposition. Moreover, a good share of government revenues has been used to construct low-income housing and other public works that directly benefit the poor.

Even though much of the economic development has been in urban areas, Balaguer also remains popular in the rural areas where most of the voters live. He has personally identified himself with the limited amount of government-sponsored construction in the countryside, making frequent trips to small towns to inaugurate new schools and health clinics. His support among the subsistence farmers has been enhanced by the government's agrarian reform program that already has distributed a substantial amount of land to tenant farmers and the landless poor. Balaguer has promised to step up agrarian reform if reelected.

The President is expected to win, moreover, because of the memory of the chaotic political situation during the early 1960s and the widespread belief that he is the only leader who can maintain stability. Many voters see the President as a low-keyed, no-nonsense leader who has a well-earned reputation for hard work.

During his second term, the President has indeed shown the determination and skills his admirers ascribe to him. Frequently, he has cracked down on opposition leaders for real or imagined affronts. His public security forces and the military, which

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ardently support him, have relentlessly pursued terrorist organizations, jailing or killing most of their leaders. The last dragnet against suspected left-wing terrorists was undertaken late last year, and was apparently staged to ensure a peaceful climate for the election campaign.

Balaguer has effectively played on the likelihood of instability under any other government as the main reason for his seeking a third term. He maintains that any government other than his own would be divided among contentious factions and suggests that squabbling in the executive could possibly lead to civil war. This rationale probably has become convincing to a large part of the electorate because of the recent schism in the Dominican Revolutionary Party (PRD), the country's strongest opposition group. In addition, the ties that bind the two opposition coalitions probably will evaporate after the elections because of the disparate groups they include.

The President's own Reformist Party is monolithic, having but one purpose, to serve his political ambition. He largely ignores it between elections. Other than Balaguer, the party has few leaders of any consequence; several who had the potential to rival his leadership pulled out in 1970 in protest against Balaguer's first bid for reelection.

Balaguer's hold on the voters appears to grow out of the long tradition of caudillo-style politics in the Dominican Republic, rather than the strength of political institutions. [REDACTED]

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[REDACTED] Ex-president Juan Bosch, the only politician who is believed to have enough national stature to pose a serious challenge to Balaguer, has refused since 1966 to run in elections because of alleged abuses of government authority.

Balaguer's first term, from 1966 to 1970, was marked by the vigorous use of the military and police

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to contain and eventually eliminate the political turmoil that lingered after the end of the 1965 civil war. During his second term, he has concentrated on economic development and on avoiding actions that could lead to comparisons with the corrupt and tyrannical practices of the Trujillo era. Before the start of this year's campaigning, he met with opposition groups, pledged himself to honest elections, and promised that the military will respect the outcome. In addition, he has asked congress to lift a ban against the Dominican Communist Party.

Groping for An Issue

The four opposition groups competing in the elections generally have centered their attacks on two issues: they charge that Balaguer's long stay in the presidency is inimical to the development of a true democracy and that the government is not responsive to the needs of the people. The left, in particular, has been hitting hard at the so-called voracious appetite of foreign investors who are accused of taking huge profits out of the country.

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Although the campaign has been full swing for about two months, a couple of leftist opposition parties have held out the possibility that they will boycott the elections at the last moment. They condition their participation on the government's protecting them from harassment by government-sponsored hoodlums and overzealous military commanders. In

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addition, they demand that the government stop unfair campaign practices, such as the excessive use of government-controlled broadcasting media, and release so-called "political prisoners." Sporadic incidents of violence have occurred, and if the left is so inclined it could use this as a pretext for abstention. Some of the weaker candidates have already considered this option.

Perhaps the strongest opposition ticket is the Santiago Accord coalition, which groups a rightist party with three parties of varying leftist persuasions. The Dominican Quisqueyan Party (PQD) represents the hard-core right in the coalition, while the moderate left is represented by the Revolutionary Social Christian (PRSC) and the Dominican Revolutionary (PRD) parties and the extreme left by the Dominican Popular Movement (MPD). Antonio Guzman, a long-time member of the PRD, heads the ticket, while the vice presidential candidate is PQD leader General Elias Wessin y Wessin, who, ironically, in the 1965 civil war opposed the then PRD president Juan Bosch. General Wessin is campaigning from Madrid where he has been in exile since 1972, when he was accused of plotting to overthrow President Balaguer. Balaguer has declared that Wessin will be allowed to return to the country only if he wins the vice presidency.

The Santiago Accord reportedly does not expect an upset win over Balaguer, but it does hope to win a sizable number of seats in congress and local governments. Possibly the strongest fight the Accord will give the governing Reformist Party is in the mayoralty race in Santo Domingo. The Accord's candidate, Guarionex Lluberes, is one of the most popular politicians in the Dominican Republic after President Balaguer. Santo Domingo prospered under him when he was the Reformist Party mayor from 1968 to 1970. He quit the party in 1970 when President Balaguer decided to run for a second term. If he wins, Lluberes is likely to become an irritant to the president and to use the post as a launching pad to seek the presidency in 1978.

The PRD reportedly hopes to use the local government positions it wins to dispense patronage jobs, to

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strengthen party discipline, and to attract additional supporters. The PRD has not taken part in elections since 1966, when it won 37 percent of the vote. Since it will be seeking votes without the support of its founder Juan Bosch, who bolted the party last November, a strong showing is likely to be seen by party members as the PRD's first step toward becoming an institutional party able to survive personality clashes. A stunning defeat, however, would seriously damage the PRD and perhaps persuade some of its members to join Juan Bosch and his new Dominican Liberation Party.

The second coalition in the elections is to the right of center, and composed of the Democratic Integration Movement (MIDA) and the Amiama Tio Independiente Group (GIAT).

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[REDACTED] The coalition's political platform is not very different from the government's. About the only issue it is campaigning on is that Balaguer's repeated election to the presidency is retarding the development of true democracy.

The coalition's presidential candidate is Francisco Augusto Lora, who served as Balaguer's vice president from 1966 to 1970 before he bolted the Reformist Party to protest the President's decision to run for reelection. Lora will be running his second campaign for the presidency. The second spot on the ticket is held by Luis Amiama Tio, another former member of the Reformist Party and a former minister without portfolio. Despite the candidates' earlier ties with the Reformist Party, they are not expected to cut significantly into the Reformist vote. It is likely, however, that if the coalition remains in the contest, it will draw votes away from the Santiago Accord, which already has complained that the Lora-Amiama Tio ticket has hurt its fund-raising efforts among the poor.

The two remaining participants in the presidential elections are the small right-wing People's Democratic Party (PDP), and the Movement of National Conciliation (MCN). Both parties have generally collaborated with Balaguer and frequently have accepted cabinet posts.

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The parties are little more than vehicles to promote the personal ambitions of their leaders. MCN leader Jaime Fernandez and PDP leader Homero Lajara Burgos are the candidates of their parties. Neither is expected to win more than a few percentage points of the vote.

Outlook

Assuming that President Balaguer is reelected on May 16, it is not likely that he will significantly alter the current policies and programs of his government. His immediate initiatives will probably be directed toward drafting measures to combat the high rate of domestic inflation caused mainly by increases in the costs of imported petroleum and food. The President has indicated that he will first try to stem inflation by readjusting price and wage control measures that were too touchy to handle in an election period. In addition, he reportedly will try to reduce the country's dependence on food imports by encouraging more agricultural production. Any surplus in agricultural output could generate additional foreign exchange to help pay for oil imports. With this in mind, Balaguer is likely to press ahead in implementing his agrarian reform program.

Foreign investment has been the primary source of capital for the Dominican Republic's sustained economic growth over the past five years, and Balaguer is not likely to take measures that would scare off vital capital. [REDACTED]

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[REDACTED] in campaign appearances he has defended the importance of foreign capital in the development of the republic.

Balaguer has spoken in his campaign about using his third term as a transition period to bring about a truer form of representational government in place of what he calls the present "circumstantial democracy." He reportedly would favor a strong two-party system with constitutional guarantees against abuse by the party in power, perhaps patterned along the line of the Liberal-Conservative agreement that brought political stability to Colombia.

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Chances that he will succeed in this endeavor seem bleak, however. [REDACTED]

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[REDACTED] Even the President's past eight years in office apparently have not strengthened the prospects that his own Reformist Party will survive post-Balaguer elections. The development of leadership in the party has been discouraged by Balaguer's denying the party even rudimentary control of patronage jobs or an important role in his administration. Until November, the key opposition group, the PRD, likewise suffered from the [REDACTED] leadership of its founder Juan Bosch. Bosch bolted the party after a challenge had been mounted against his autocratic rule.

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Perhaps the most that Balaguer might realistically be expected to accomplish during his third term is to preside over four more years of relative political stability and economic growth. To have provided 12 years of peace and quiet would be no small accomplishment in the Dominican Republic and might produce a carryover effect into the term of Balaguer's successor--if indeed he steps down in 1978. Whenever Balaguer leaves, however, the best hope for stability in the Dominican Republic probably will be in finding another caudillo who can provide the same sort of benevolent but firm leadership.

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